



Rebuilding Cooperative Image Through Benchmarking

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Article Info	Abstract
Article history: Received: September 9, 2024 Accepted: December 8, 2024 Published: May 4, 2025 Keywords: Benchmarking Cooperative Finance Management This article is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License © 2025 Bubungan Tinggi: Jurnal Pengabdian Masyarakat	The presence of the Ciputat Mandiri Market Cooperative in Ciputat, South Tangerang, which is still stagnant with 46 registered members, most traders, has yet to benefit its members. This community service activity aims to enhance the understanding and knowledge of the cooperative's management and members by benchmarking them with the KPPS SIRaA cooperative in Pamijahan, Bogor. The community service team from the Muhammadiyah University of Jakarta (UMJ) aims to offer solutions through benchmarking to the Sharia Cooperative KSPPS SIRaA Pamijahan Bogor, scheduled for May 2024 as an initial step. The service method uses the Participatory Rural Appraisal (PRA) technique. The activities in PRA include a Focus Group Discussion (FGD) to strengthen the knowledge and understanding of the Ciputat Mandiri cooperative's management. The initial activity involves conducting a study visit (benchmarking) to the SIRaA Pamijahan Bogor Cooperative, which has experienced significant progress and has been ranked as Indonesia's number one Sharia cooperative. The second activity focuses on improving the management and the cooperative's members. This benchmarking results in an increased understanding and knowledge of the management and members, helping to improve the cooperative's image and strengthen members' trust.
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INTRODUCTION

Benchmarking is conducting a comparative study of successful cooperatives, which can be used as a benchmark to be implemented in other places (Sulaeman & Gasali, 2017). The results of the comparative study can provide a way out of the various negative stories about cooperatives that make many people not care and even do not believe in cooperatives. Several cooperatives have been established in the Ciputat market; the existing cooperatives are savings and loans for members and the public. However, after a few years, the cooperative died out because of the management's unprofessionalism. In addition, many members of cooperatives have never enjoyed the presence of cooperatives, such as the acquisition of cheaper prices, adequate distribution of business profits, and so on. However, the story that develops about cooperatives is a negative story that tends to be detrimental.

This condition also occurs in the Ciputat Mandiri Market cooperative in Ciputat (Sabarudin & Sulhendri, 2023), South Tangerang. Ciputat Mandiri Market Cooperative has been established for the last 3 years (established in October 2021) with 46 members who have the same goal of establishing a cooperative, namely a neat, clean, and comfortable Ciputat market for consumers as well as for members to trade and do business. However,

of the 46 registered cooperative members, only a few are active as members. As a result, the Ciputat Mandiri Market cooperative has never moved forward and developed, even tending to be just a name. The lack of interest and concern of cooperative members for the existence of cooperatives, allegedly due to management factors that have not been maximized, as well as a lack of understanding of cooperative members of the functions and roles of cooperatives, a lack of professional human resources, and a lack of capital. Finally, the core cooperative management can be trusted by members and the community, which can be taken from Ciputat community leaders who have a good image in the eyes of the Ciputat market community ([Suhartono, 2011](#)).

Related to weak management ([Arnawa, 2014](#)), leadership, finance, as well as members' understanding of the role and function of cooperatives, is a fundamental problems that must be resolved ([Arnawa, 2014](#)). Therefore, cooperative management can study, apply, and emulate a role model in the KSPPS SIRaA Pamijahan Bogor Sharia Cooperative so that cooperative management can run well. Where members and the community can trust the cooperative management. Good management will indirectly affect members' concern for cooperatives in the future by imitating successful cooperatives that are the 1st best in Bogor, namely the KSPPS SIRaA Pamijahan Bogor Sharia Cooperative.

Based on the above problems due to the low awareness and trust of cooperative members, this community service activity aims to increase the understanding and knowledge of cooperative management and members through *benchmarking* to the KPPS SIRaA Cooperative in Pamijahan, Bogor.

METHODS

Implementing this community service activity will use a group approach with the Participatory Rural Appraisal (PRA) method. ([Ramdani & Adi Martono, 2022](#)) and through focus group discussion (FGD) ([Rizal et al., 2022](#)) to formulate effective solutions to improve cooperative members' and administrators' understanding and knowledge. PRA is a participatory approach method that focuses on the local knowledge of the community to conduct analysis and assessment and make its plans.

In addition, the method used the concept of community empowerment ([Margolang, 2018](#); [Rohmah, 2014](#); [Rizal et al., 2022](#); [Mustaghfiri, 2020](#)) independently based on internal capacity and strength, both in terms of material and non-material, together to build a cooperative ([Murdinar, 2021](#)). The stages in this community service activity are:

1. Socialization of the importance of a common understanding in improving the image of cooperatives for mutual prosperity.
2. FGDs for equalizing perceptions in overcoming internal cooperative problems
3. The FGD, with the manager of the SIRaA Pamijahan cooperative in Bogor, found a solution through *benchmarking*.
4. Strengthening capacity by mentoring cooperative administrators by benchmarking with the KPPS SIRaA cooperative.
5. Strengthening information on *benchmarking* results in leadership, management, and financial governance of cooperatives ([Rizal et al., 2022](#))
6. After conducting a comparative study, observation, and analysis of what is done and implemented by successful cooperatives, to be applied to the Ciputat Mandiri Market Cooperative. It can also be carried out by discussing with active administrators about business and management, and increasing the enthusiasm of members for the importance of cooperatives and fulfilling members' desires for comfortable and safe trading and business, as well as capital and trustworthy management ([Fadliansyah et al., 2022](#)). The community service team discusses with members and administrators regularly.

To measure the program's effectiveness, the activities were evaluated after the entire series of *benchmarking* and mentoring was completed.

RESULTS AND DISCUSSION

The Ciputat market cooperative did not develop well due to the management and cooperative members' lack of abilities and skills. Therefore, the Ciputat market cooperative management needs to benchmark the KSPPS SIRaA Pamijahan Bogor Sharia cooperative to learn from the success of the cooperative in developing the cooperative and become a reference place to learn for other cooperatives. Besides that, it also learns management assistance, in-depth analysis of cooperative administrators related to management, leadership, and management (Euis, 2008; Rabindarang & Bing, 2015) and the financial management of cooperatives, so that the understanding of cooperative management can increase. The major weakness of cooperatives is that not all members have full and equal awareness of carrying out the principles and activities of cooperatives properly (Arnawa, 2014). For example, members do not regularly deposit mandatory dues. Cooperatives have weak competitiveness. Increased understanding through training (Nucifera et al., 2024) and counseling can ultimately improve the management's ability so that the objectives of the cooperative can be achieved. Cooperatives play an active role in improving the quality of members' (Suhartono, 2011) life and the surrounding community in need. Cooperatives can strengthen the people's economy (Megantari & Astika, 2021) as the basis for the strength and resilience of the national economy, with cooperatives as the main teacher.

In theory, several ways to increase member participation are: 1). Paying mandatory dues in an orderly and regular manner, 2). Voluntary savings so that it will be able to increase cooperative capital, 3). Utilizing cooperative services (goods/ shopping goods from cooperatives), 4). Utilizing cooperative loan funds by obeying the installments, 5). Attend meetings and gatherings actively.

Comparative studies in this community service are intended to improve the ability and technical expertise of the management related to the administration of members by emulating successful cooperatives (Suhartono, 2011). While the replacement of core management is intended to increase understanding of the function and role of cooperatives for cooperative administrators who can be trusted, discussion of the board and members to generate trust in the cooperative needs to be revived.

This comparative study is important for Ciputat Cooperative management, which hopes to develop and gain the full trust of cooperative members, such as Sharia KSPPS SIRaA Pamijahan Bogor. Figure 1 shows documentation in front of the cooperative office, accompanied by the management and members of the Ciputat market cooperative.

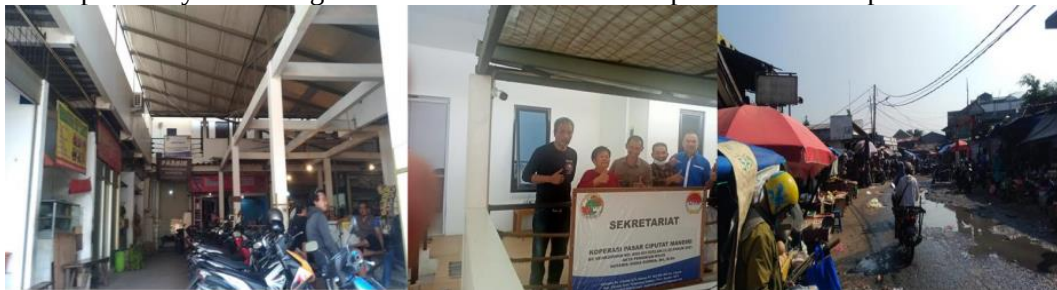


Figure 1 In front of the cooperative office, accompanied by the ciputat market cooperative board and member

How the cooperative history of the Sharia Cooperative KSPPS SIRaA Pamijahan Bogor from the beginning of its establishment until cooperative members can trust it can be used as an example by the Ciputat Mandiri Market Cooperative (KPCM). Some can later be

applied to KPCM, such as the existence of several founding members who are very loyal in becoming cooperative drivers who are tirelessly looking for members and providing Counselling to prospective members. Some KPCM members may be interns to learn about the cooperative's activities. This can be seen in Figure 2, where one of the administrators enthusiastically listened to the experience through FGD at KSPPS SIRaA Pamijahan Bogor.



Figure 2 Benchmarking at kspps siraa pamijahan bogor office

The FGDs that were conducted obtained several inputs that can be noted as follows:

Organization

The organizational structure that is formed determines how resources are managed so that each plan is achieved effectively and efficiently. Organizational Structure ([Megantari & Astika, 2021](#)) determines how resources are allocated so a plan can be implemented effectively and economically. The application of this function can be seen from the organizational structure of KSPPS SIRaA Pamijahan Bogor, which has the achievement of being the No. 1 Sharia Cooperative in Indonesia. The organizational structure regulates the duties and authority of each element in detail. The division of tasks facilitates the implementation of cooperative activities. The organizational structure consists of the members meeting, the supervisor, management, and several employees, as assisted by Article 21 of Law No. 25 of 1992.

In addition, KSPPS SIRaA formed an Advisory Board to provide advice and counsel to the management and supervisors, as well as assistance from the Field Cooperative Extension Officer. Based on this, Ciputat Market Cooperative, after conducting a comparative study (benchmarking) to KSPPS SIRaA Pamijahan Bogor Sharia cooperative, tried to apply it in Ciputat Market Cooperative, among others:

a. Member Meeting

1. The Members' Meeting has the highest power in the cooperative organization.
2. Cooperative and MSME Office representatives attended the Cooperative's Annual Member Meeting.
3. Member Meetings consist of Annual, Extraordinary, and Member Meetings for Amendments to the Articles of Association.
4. The Annual Member Meeting is held to discuss and ratify the accountability of the management and supervisors.
5. Extraordinary Member Meeting is a member meeting held when the cooperative is in a situation that requires an immediate decision whose authority is in the member meeting.
6. Extraordinary member meetings can be held at the will of the management and supervisors and the written request of at least 10% of the members.

7. The members' meeting to amend the articles of association is held to adjust the articles of association to comply with the applicable laws or government regulations. This meeting ensures that the implementation of cooperative activities is in accordance with applicable regulations.

b. Management structure

Cooperative management elected in the AGM is responsible to the members and the government. The obligations and rights of the management in managing the cooperative are regulated in the Cooperative's bylaws, including:

- Setting up supervisors consists of 3 people.
- Preparing professional managers to run cooperative businesses;
- The management is elected by way of formulas, and the election of supervisors is conducted directly;
- Board members may hold the same position for two consecutive terms;
- Each member of the management must assist the supervisor in carrying out his duties and is required to provide the necessary information and show all books, notes, supplies of goods, equipment or inventory, and money in the cooperative;
- The management is required to be able to explain the provisions in the articles of association, bylaws, special regulations, and other decisions of the members' meeting to members;
- The board can maintain harmony among members;
- The management must implement all provisions in the articles of association, bylaws, special regulations, and decisions of the members' meeting;
- In carrying out its functions and duties, the board can use the facilities, means, and funds available in accordance with the decision of the members' meeting;
- The management is entitled to receive compensation for services in accordance with the decision of the members' meeting;
- The management is entitled to receive a share of the remaining proceeds in accordance with the decision of the members' meeting.

c. Supervisor

The duties of the Supervisor are

- Supervise the implementation of cooperative policies and management and make written reports on the results of supervision of activities carried out by cooperatives;
- The results of the supervisor's report will be included in the cooperative's year-end report;
- The supervisor is authorized to use the facilities, means, and funds available in accordance with the decision of the members' meeting;
- Supervisors are also authorized to examine all records, files, goods, money, and other evidence in the cooperative;
- Supervisors are entitled to receive remuneration in accordance with the resolution of the members' meeting;
- Supervisors are also funded to attend training related to cooperative supervision and are funded by the cooperative.

This refers to the experience applied by KPPS SIRaA Pamijahan Bogor. It aims to be assertive and disciplined, a habit of security forces life. This can be transmitted to the habits of members, such as discipline in paying loan installments ([Ismanto & Diman, 2014](#)) and minimizing the bad intentions of members and administrators.

d. Advisor

In addition to the supervisor, an advisory board was formed to assist the running of cooperative activities. The advisory board is needed to provide advice and input for both the supervisor and management, as well as the Cooperative members and

supervisors. The Member Meeting can appoint non-members with expertise in accordance with the interests of the cooperative to become an advisory board. Members of the advisory board do not have voting rights in member meetings or management meetings. Members of the advisory board do not receive a salary but can be given a service fee in accordance with the decision of the members' meeting. In addition, the advisory board can provide advice or opinions to the management regarding the progress of the cooperative, whether requested or not.

- e. Membership
 - Membership consists of ordinary members, extraordinary members, and non-members;
 - Traders who have left the membership can become members again with ALB status.
- f. Savings and loan policy
 - Increased member participation, inter-cooperative cooperation, and decreased loan fees;
 - Make provisions for loan types ([Mulyanti & Rina, 2017](#)) and different services based on member meetings.
- g. Business unit development
 - Procurement of materials for traders;
 - Developing credit business for merchant needs.
- h. Asset optimization
 - Lease of land and office building for parking lot and office building;
 - Utilization of cars for operation and rental.
- i. Member Welfare
 - Increased member welfare through SHU (50% Return to members);
 - Carry out entrepreneurship and cooperative education for members every 2 years with a total of 50 participants;
 - Door prizes and gifts for those attending the AGM;
 - Transport to attend RAPB, Education and Training and AGM;
 - Providing scholarships to children of members who excel;
 - Family solidarity fund (DKK) dues or pralenan fund IDR 7,000/month.
- j. Governance management
 - Establish related board regulations;
 - Savings and loan unit (USP);
 - Member loyalty service;
 - Receivables risk fund (DRP);
 - Appointment and dismissal of employees.

CONCLUSION

Benchmarking to the Sharia Cooperative KSPPS SIRaA Pamijahan Bogor is one way out of the problems faced by the Ciputat Mandiri Market Cooperative (KPCM) management and various other problems. *Benchmarking* activities can improve the image of the cooperative, as well as the understanding of the management, the trust of members, and more professional cooperative governance.

. CONFLICTS OF INTEREST

The authors declare that there is no conflict of interest.

AUTHOR CONTRIBUTIONS STATEMENT

Conceptualization, S and SEA; methodology, SWC; formal analysis, S and SEA; writing—preparation of the original draft, S, SEA, and SWC; All authors have read and approved.

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